

3. Tyler admits that Plaintiff developed a Request for Proposal for a new computerized Property Tax System. As to the remainder of the allegations contained in paragraph 3 of the Petition, Tyler is without knowledge or information sufficient to form a belief as to the truth or falsity of those allegations, and therefore such allegations are denied.

4. Tyler admits that on January 31, 2006, Plaintiff and Tyler executed an “Agreement for Software and Professional Services Between Tyler Technologies, Inc./CLT Division and Jefferson County, Missouri” and that such agreement is attached to Plaintiff’s Petition as Exhibit “1.” Tyler further admits that that agreement incorporated the Software License/Sublicense Agreement, which is attached to Plaintiff’s Petition as Exhibit “2.” Tyler further admits that the Agreement was amended by “Amendment 1 To the Agreement for Software Licenses Between Tyler Technologies, Inc./CLT Divison and Jefferson County, Missouri,” which is attached to Plaintiff’s Petition as Exhibit “3.” Tyler further admits that an “Amendment 3 To The Agreement For Software And Professional Services Between Tyler Technologies, Inc./CLT Divison and Jefferson County, Missouri,” was executed by Plaintiff and Tyler, and is attached to Plaintiff’s Petition as Exhibit “4.” These Agreements and Amendments are collectively referred to herein as the “Agreement.”

5. Tyler states that the Agreement attached as “Exhibit 1” to the Petition speaks for itself and denies the remainder of the allegations in paragraph 5 of the Petition.

6. Tyler states that the Agreement attached as “Exhibit 1” to Plaintiff’s Petition speaks for itself and denies the remainder of the allegations in paragraph 6 of the Petition.

7. Tyler admits that Plaintiff has paid to Defendant a total amount of One Million, One Hundred Twenty-four Thousand, One Hundred and Thirty-five Dollars (\$1,124,135)

pursuant to the Agreement, but denies the remainder of the allegations contained in paragraph 7 of the Petition.

8. Tyler denies the allegations contained in paragraphs 8 (a), (b), (c), (d), (e) and (f) of the Petition.

9. Tyler denies the allegations contained in paragraph 9 of the Petition.

10. Tyler denies the allegations contained in paragraph 10 of the Petition.

11. Tyler denies the allegations contained in paragraph 11 of the Petition.

12. Tyler admits the allegations contained in paragraph 12 of the Petition.

13. Tyler denies that Plaintiff is entitled to the relief sought in paragraph 13 of the Petition.

14. Tyler denies the allegations with respect to jurisdiction and venue contained in paragraph 14 of the Petition.

II. AFFIRMATIVE DEFENSES

15. Tyler asserts as an affirmative defense that Plaintiff's Petition for Breach of Contract fails, in whole or in part, to state a claim for which relief can be granted.

16. Tyler affirmatively pleads that Plaintiff's claims are barred, in whole or in part, by the doctrines of waiver, estoppel, laches, justification, ratification, and/or unclean hands.

17. Tyler affirmatively pleads that an accord and satisfaction occurred on the Agreement.

18. Tyler affirmatively pleads that Plaintiff is estopped from suing on the Agreement.

19. Tyler affirmatively pleads that Plaintiff's claims for damages are barred because Plaintiff has a duty to take reasonable steps to mitigate any damages, and upon information and belief, Plaintiff has failed to do so.

20. Tyler affirmatively pleads that Plaintiff's claim for breach of contract is barred because Tyler's obligations under the Agreement were excused by Plaintiff's prior material breaches.

21. Tyler reserves the right to assert additional affirmative defenses as established by the facts of the case based upon information obtained during discovery of this action.

III. PRAYER

WHEREFORE, Defendant Tyler Technologies, Inc. prays that the Court enter judgment that Plaintiff take nothing by this suit, that this suit be dismissed with prejudice, and that Tyler be awarded costs, and all further relief to which Tyler may be entitled in law or in equity.

Respectfully Submitted,

/s/ B. Matthew Struble

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**ATTORNEYS FOR DEFENDANT TYLER
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CERTIFICATE OF SERVICE

I hereby certify that on this the 10th day of April, 2009, a true and correct copy of the foregoing document was served upon the following counsel of record via electronic means and United States mail.

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